

**TOWN OF PRESCOTT VALLEY
REQUEST FOR COUNCIL ACTION
Date: June 16, 2011**

SUBJECT: Proposed Revisions to “Town of Prescott Valley Customer Accounts Regulations”

SUBMITTING DEPARTMENT: Management Services

PREPARED BY: William E. Kauppi, Management Services Director

AGENDA LOCATION: Comments/Communications , Consent , Work/Study ,
New Business , Public Hearing , Second Reading

ATTACHMENTS: Revised Customer Accounts Regulations

SUMMARY BACKGROUND: For a history of the Town of Prescott Valley Utility Regulations and how they have evolved over the years, following is a summary of what has transpired regarding the formation of these regulations.

- On April 14, 1994, Council adopted Resolution No. 536, which approved the Town of Prescott Valley Wastewater Collection and Treatment Regulations, allowing for the operation and administration of the Wastewater System pursuant to Town Code Article 9-05.
- The Town of Prescott Valley Water District first adopted regulations on December 14, 1998 (Resolution No. 5), which among other things, regulated the management, operation and maintenance of the water system of the Prescott Valley Water Company.
- Resolution No. 1030 was approved on August 9, 2001, which among other issues, standardized the Town wastewater and water system and District water system regulations to assist the Town in its operation and administration of the three systems, renamed the Town of Prescott Valley Wastewater Collection and Treatment Regulations to Prescott Valley Utility Regulations, revised the same to apply to the operation and administration of the Town’s Water and Reclaimed Water Systems as well as its Wastewater System, and revised such regulations to better correlate with the Prescott Valley Water District Water System Regulations.
- As of March 13, 2008, by Town resolution, the Prescott Valley Water District Company (District) was dissolved and the District was merged into the Town and declared to be a single system. Therefore, the Prescott Valley Water District System Regulations were no longer in existence and the regulations in force were the Prescott Valley Utility Regulations, which encompassed the Town’s wastewater and water regulations.
- On November 4, 2010, with the approval of three resolutions, staff and Council determined it to be in the best interests of the Town to separate from the existing Utility Regulations, two new and distinct regulations that would address the utilities administration of customer accounts and administration of improvement districts. Resolution No. 1724 contained amendments to the Utility Regulations, which as a housekeeping measure eliminated references to the non-existent Prescott Valley Water District, but it primarily removed provisions governing administration of customer accounts and improvement districts. Resolution No. 1725 established new Customer Accounts Regulations, and Resolution No. 1726 created new Improvement District Administration Regulations.

- On April 20, 2011, the 50th session of the Arizona Legislature adjourned. Among its work output was House Bill (HB) 2193. The Governor signed that bill on April 27, 2011 and it becomes effective July 20, 2011. Key provisions of the bill are:
 - Municipalities would be prohibited from requiring payment for unpaid water/wastewater services from anyone other than the person(s) who contracted for the service, lived at the property and received the service.
 - It effectively voids the previous conditions of the tenant/owner responsibility for service as promulgated under Town Customer Account Regulations pertaining to the Request For Alternate Billing (RAB). Formerly both the tenant and the property owner were jointly responsible for an unpaid tenant's bill and the property owner was ultimately responsible for payment of the tenant's bill. That condition is no longer valid under the new law.

- Other changes being proposed to the Customer Accounts Regulations are:
 - Regarding deposits paid by tenants, after 12 months of no delinquencies, their deposit will be refunded to them.
 - Tenants applying for utility service who have no history of delinquencies on previous or existing utility accounts will be exempt from paying a deposit.

Staff is revising certain aspects of the Customer Accounts Regulations to comply with the provisions of HB 2193. If Council concurs, staff will proceed and present the appropriate resolution and amendment to the Customer Accounts Regulations for consideration at a future Council meeting.

OPTIONS ANALYSIS: N/A. For discussion only.

ACTION OPTION: N/A. For discussion only.

RECOMMENDATION: N/A. For discussion only.

FISCAL ANALYSIS: N/A.

REVIEWED BY:

Mgt Svcs Director _____ Town Clerk _____

Town Attorney _____

Town Manager _____

COUNCIL ACTION:

Approved Denied Tabled/Deferred Assigned to _____